Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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DA 17-299 Released: March 31, 2017

ENTERCOM COMMUNICATIONS AND CBS RADIO SEEK APPROVAL TO TRANSFER CONTROL OF AND ASSIGN FCC AUTHORIZATIONS AND LICENSES

PROCEEDING DOCKETED AND PLEADING CYCLE ESTABLISHED

MB Docket No. 17-85

Petition to Deny Date: May 1, 2017 Opposition Date: May 11, 2017 Reply Date: May 18, 2017

On March 20, 2017, pursuant to an Agreement and Plan of Merger dated February 2, 2017, Entercom Communications Corp. (Entercom) and CBS Corporation (CBS), and its wholly-owned subsidiary CBS Radio, Inc. (CBSR), jointly submitted applications to the Commission seeking consent to the transfer of control and assignment of certain licenses pursuant to Section 310(d) of the Communications Act of 1934, as amended. The proposed transfer of control and assignment of these licenses is part of a larger transaction whereby: (1) CBSR will be separated from CBS pursuant to a Master Separations Agreement dated February 2, 2017; and (2) a wholly-owned subsidiary of Entercom (Constitution Merger Sub Corp.) will merge with CBSR, with the merged CBSR surviving as a wholly-owned subsidiary of Entercom. Contemporaneously, Entercom will contribute all of the issued and outstanding equity interests of its direct subsidiary, Entercom Radio, LLC, to CBSR, resulting in a substantial change in control of Entercom from the current ownership. The jointly filed applications are listed in the Appendix to this Public Notice.

Three sets of related applications were filed on March 20, 2017: (A) Twenty two (22) Form 315 applications seeking consent to the transfer of control of CBSR and its subsidiaries' radio station licenses; (B) Nine (9) Form 315 applications seeking consent to the transfer of control of Entercom and its subsidiaries' radio station licenses; and (C) Nine (9) Form 314 applications seeking consent to assign from Entercom, Entercom subsidiaries, CBSR and CBSR subsidiaries to The Entercom Divestiture Trust (EDT)² a number of radio station licenses (the Divestiture Trust Applications). Absent any other transactions undertaken to comply with the Commission's radio ownership limits, the station licenses to be placed in trust must be divested in seven (7) radio markets because the common ownership of the

¹ 47 U.S.C. § 310(d).

² The EDT trustee is TDC Communications, LLC, whose sole member is Elliot Evers.

Entercom, CBSR and their subsidiaries' radio stations in these markets would result in the newly-formed Entercom having an attributable interest in a number of radio stations that exceeds the limits set forth in Section 73.3555(a)(1) of the FCC's Rules (Rules).³

We note that several of the Divestiture Trust Applications⁴ propose to assign to EDT more stations than Entercom actually plans to divest, and, in fact, more stations than EDT can lawfully own under Section 73.3555(a)(1) of the Rules. To the extent that Entercom and CBS otherwise are unable to come into compliance with local radio ownership limits prior to the consummation of the proposed transactions, they will amend those applications to specify the particular stations to be assigned to EDT in accordance with such limits.⁵ The Commission, based on the record developed and its review of the amendments, may establish an additional comment period when the amendments are accepted.⁶

In addition, current CBS Board Chairman, President and Chief Executive Officer Leslie Moonves and current CBS Chief Operating Officer Joseph Ianniello will serve as Entercom directors for not more than six months following the closing of the transactions. During that period, they will hold attributable interests in both the television stations owned by CBS and the radio stations owned by Entercom, resulting in their holding interests in radio and television stations in certain markets in excess of the radio-television cross-ownership limits. Accordingly, Entercom and CBS request a temporary waiver of the Commission's radio-television cross-ownership rules during the limited time that Moonves and Ianniello serve on the Entercom board.

EXPARTE STATUS OF THIS PROCEEDING

In order to assure the staff's ability to discuss and obtain information needed to resolve expeditiously the issues presented, by this Public Notice, and pursuant to Section 1.1200(a) of the Rules, we establish a docket for this proceeding and announce that the *ex parte* procedures applicable to permitbut-disclose proceedings will govern our consideration of these applications.⁸

Permit-but-disclose *ex parte* procedures permit interested parties to make *ex parte* presentations to the Commissioners and Commission employees and require that these presentations be disclosed in the record of the relevant proceeding. Parties making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed. More than a one- or two-sentence description of the views and arguments

³ 47 CFR § 73.3555(a)(1).

⁴ Specifically, the Divestiture Trust Applications with lead file numbers BALH-20170320ANE; BALH-20170320ALJ; and BALH-20170320AMS.

⁵ See 47 CFR § 73.3555(a)(1). Entercom and CBS have pledged to file the necessary amendments to the Divestiture Trust Applications prior to Commission action. Accordingly, they have not specifically requested a waiver of Section 73.3555.

⁶ See 47 U.S.C. § 309(b) (providing for public notice of "any substantial amendment" of application previously placed on public notice).

⁷ *Id.* § 1.1200(a).

⁸ See id. § 1.1206.

⁹ *Id.* § 1.1206(b)(2).

presented generally is required.¹⁰ Persons making a written ex parte presentation to the Commissioners or Commission employees must file the written presentation no later than the next business day after the presentation. Persons making oral *ex parte* presentations must file a summary of the oral presentation no later than the next business day after the presentation.¹² We strongly urge parties to use the Electronic Comment Filing System (ECFS) to file ex parte submissions. All ex parte filings must be clearly labeled as such and must reference MB Docket No. 17-85.

GENERAL INFORMATION

The applications for transfer of control and assignment of licenses referred to in this Public Notice have been accepted for filing upon initial review. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's Rules or policies. Interested persons must file petitions to deny no later than May 1, 2017. Oppositions to petitions to deny must be filed no later than May 11, 2017. Replies must be filed no later than May 18, 2017. Persons and entities that file petitions to deny become parties to the proceeding.

To allow the Commission to consider fully all substantive issues regarding the applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. Replies may only address matters raised in oppositions. ¹³ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. 14 Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

All filings concerning matters referenced in this Public Notice should refer to MB Docket No.17-85, as well as the specific file numbers of the individual applications or other matters to which the filings pertain.

Submissions in this matter may be filed electronically (i.e., through ECFS) or by filing paper copies.

- Electronic Filers: Documents may be filed electronically using the Internet by accessing the ECFS: http://fjallfoss.fcc.gov/ecfs2/.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. Filings may be sent by hand or messenger delivery, by commercial overnight courier, or by firstclass or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission, 445 12th Street, S.W., Washington, DC 20554.

¹⁰ *Id*

¹¹ Id. § 1.1206(b)(1).

¹² Id. § 1.1206(b)(2).

¹³ *Id.* § 1.45(c).

¹⁴ See id. §§ 1.46(a) and 73.3584(e).

- All hand-delivered or messenger-delivered paper filings no larger than a copier paper box for the Commission's Secretary must be delivered to the Mail and Distribution Window at FCC Headquarters at 445 12th Street, S.W., Washington, D.C. 20554. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, S.W., Washington, DC 20554.

In addition, one copy of each submission must be sent to the following:

- Michael Wagner, Audio Division, Media Bureau, Room 2-A523, e-mail <u>Michael.Wagner@fcc.gov</u>
- Stephen Svab, Audio Division, Media Bureau, Room 2-A802, e-mail Stephen.Svab@fcc.gov

Any submission that is e-mailed to Michael Wagner and Stephen Svab should include in the subject line of the e-mail: (1) MB Docket No. 17-85; (2) the name of the submitting party; (3) a brief description or title identifying the type of document being submitted (*e.g.*, MB Docket No. 17-85, Entercom CBSR Merger, *Ex Parte* Notice).

People with Disabilities. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

Availability of Documents. Documents in this proceeding will be available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554.

The applications are also available electronically through the Commission's ECFS, which will provide hyperlinks to the applications in the Media Bureau's Consolidated Database System (CDBS). ECFS may be accessed on the Commission's Internet website at http://www.fcc.gov.

For further information, contact Michael Wagner at (202) 418-2775 or Stephen Svab at (202) 418-7069. For press inquiries, contact Janice Wise at (202) 418-8165.

By: Acting Chief, Media Bureau